



6<sup>th</sup> February, 2024

STOCK. EXG/ AG/ 2023-24

The Corporate Relationship  
Department  
BSE Limited,  
1<sup>st</sup> Floor,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

The Listing Department  
National Stock Exchange of  
India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.-C/1, 'G' Block,  
Bandra- Kurla Complex,  
Bandra (E)  
Mumbai - 400051

Listing Department  
The Calcutta Stock  
Exchange Ltd.  
7 Lyons Range,  
Kolkata-700001

Scrip Code : 509480

Scrip Code: BERGEPAIN T Scrip Code : 12529

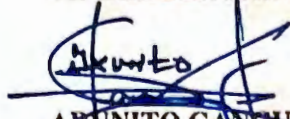
Dear Sirs,

**Sub : Investor Presentation on Financial Results**

With reference to our letter no. STOCK. EXG/ AG/ 2023-24 dated 24<sup>th</sup> January, 2024 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed a copy of the investor presentation on financial results of the Company for quarter and nine months ended on 31<sup>st</sup> December, 2023 to be made during the day.

The aforesaid presentation will also be uploaded on the website of the Company i.e <https://www.bergerpaints.com/investors/bpil-earnings.html> .

Yours faithfully,  
For BERGER PAINTS INDIA LIMITED

  
ARUNITO GANGULY  
VICE PRESIDENT &  
COMPANY SECRETARY

Encl.: a/a

**BERGER PAINTS INDIA LIMITED**

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CIN - L51434WB1923PLC004793, E-mail : [consumerfeedback@bergerindia.com](mailto:consumerfeedback@bergerindia.com)



# 100 YEARS OF TRUST

**Berger Paints India Limited**

**Earnings Update Call, Q3 FY24**

**February 6, 2024**



100  
YEARS OF  
TRUST



Glamor that lasts

**Berger**

**SILK GLAMOR**  
LUXURY MATT EMULSION

SMS SILK to 567672

**Berger**

**DUST GONE KOOLING ON**

Dust Guard + HEAT REFLECTIVE NANO TECH

**WEATHERCOAT ANTI DUST Kool**  
DUSTPROOF & WEATHERPROOF EXTERIOR EMULSION

**Berger**

**WEATHERCOAT ANTI DUST Kool**  
DUSTPROOF & WEATHERPROOF EXTERIOR EMULSION

**NO JHANJHAT, DAMPSTOP FATAFAT**

**Berger HOME SHIELD**  
SCIENTIFIC WATERPROOFING SOLUTIONS

**3 YEARS**  
Waterproofing WARRANTY\*

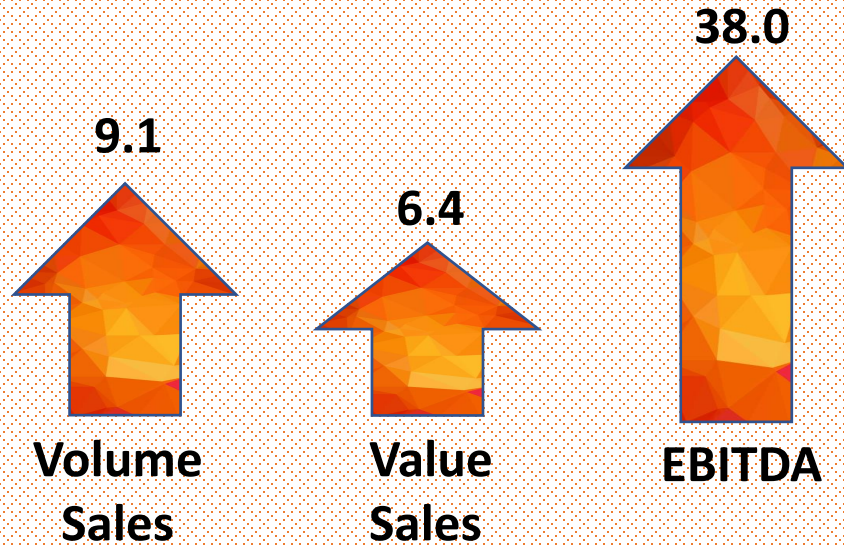
SMS "HS" to 56767

\*T&C Apply.

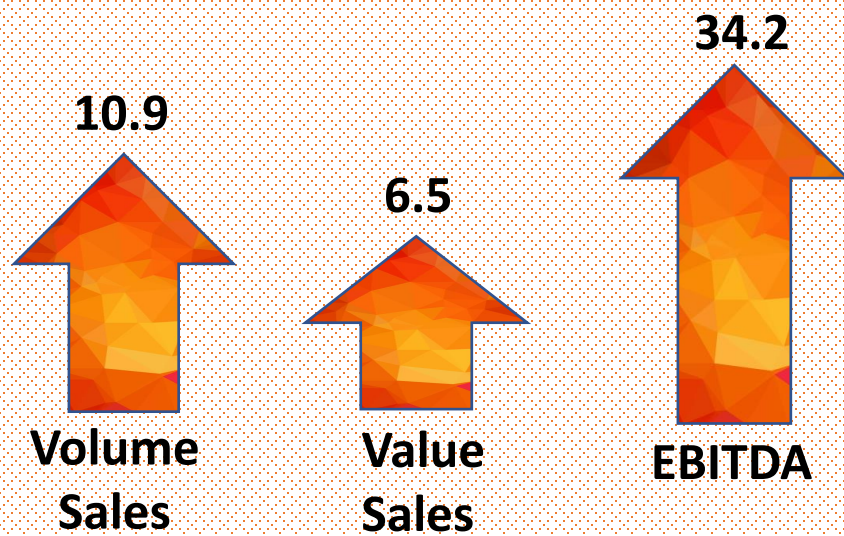
Q3 FY24 Performance

# Business highlights : Q3FY24 - Standalone

## Q3 FY24 Growth%



## YTD Dec 23 Growth %



- Sustained encouraging top line growth for the quarter both on volume and value
- Decorative business outperformed others with double digit growth
- Strong profitability growth on YoY basis
- Gross Margin at 10 quarter high
- Operating margin expansion both on YoY & QoQ basis
- Likely Market share gain in the quarter
- **India operation maintained its improved market share around 20%**

# Financial Results – Standalone Q3 FY24



Rs Crores

	Q3 FY24	% to Total Income	Q3 FY23	% to Total Income	Growth %
<b>Total income from operations</b>	2,574.2		2,418.9		<b>6.4</b>
Material Cost	1,535.6	59.7	1,600.9	66.2	
Employee Cost	136.7	5.3	111.5	4.6	
Other expenses	472.4	18.3	395.2	16.3	
<b>PBDIT (Excluding Other Income)</b>	<b>429.6</b>	<b>16.7</b>	<b>311.3</b>	<b>12.9</b>	<b>38.0</b>
Depreciation	74.5	2.9	56.9	2.4	
<b>Profit from operation before interest</b>	<b>355.1</b>	<b>13.8</b>	<b>254.5</b>	<b>10.5</b>	
Other Income	16.4	0.6	39.5	1.6	
<b>PBIT</b>	<b>371.5</b>	<b>14.4</b>	<b>294.0</b>	<b>12.2</b>	<b>26.4</b>
Finance Cost	16.1	0.6	25.6	1.1	
<b>PBT</b>	<b>355.4</b>	<b>13.8</b>	<b>268.4</b>	<b>11.1</b>	<b>32.4</b>
Taxes	92.1	3.6	61.3	2.5	
<b>PAT</b>	<b>263.3</b>	<b>10.2</b>	<b>207.1</b>	<b>8.6</b>	<b>27.1</b>
Other comprehensive income, net of income tax	0.4	0.0	1.8	0.1	
<b>Total comprehensive income for the period</b>	<b>263.6</b>		<b>208.9</b>		

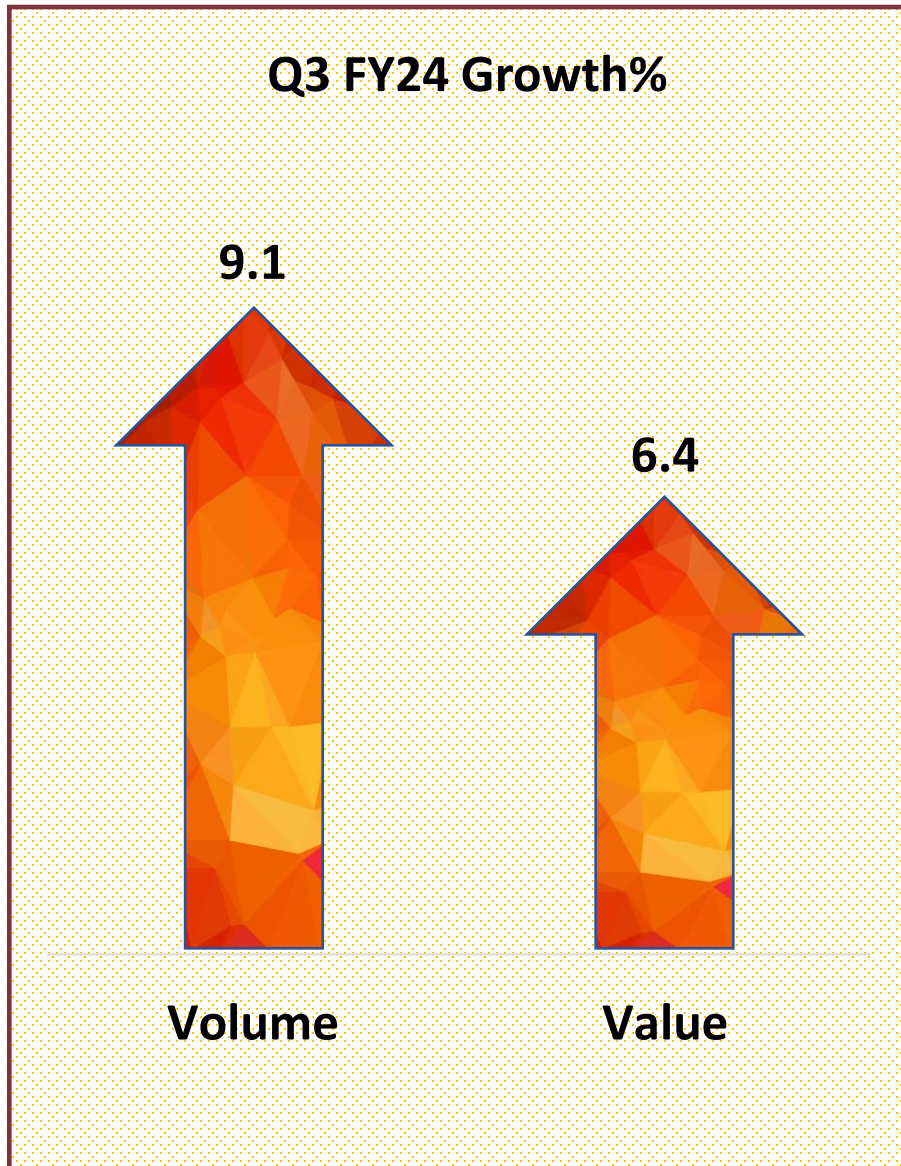
# Financial Results – Standalone YTD Dec 23



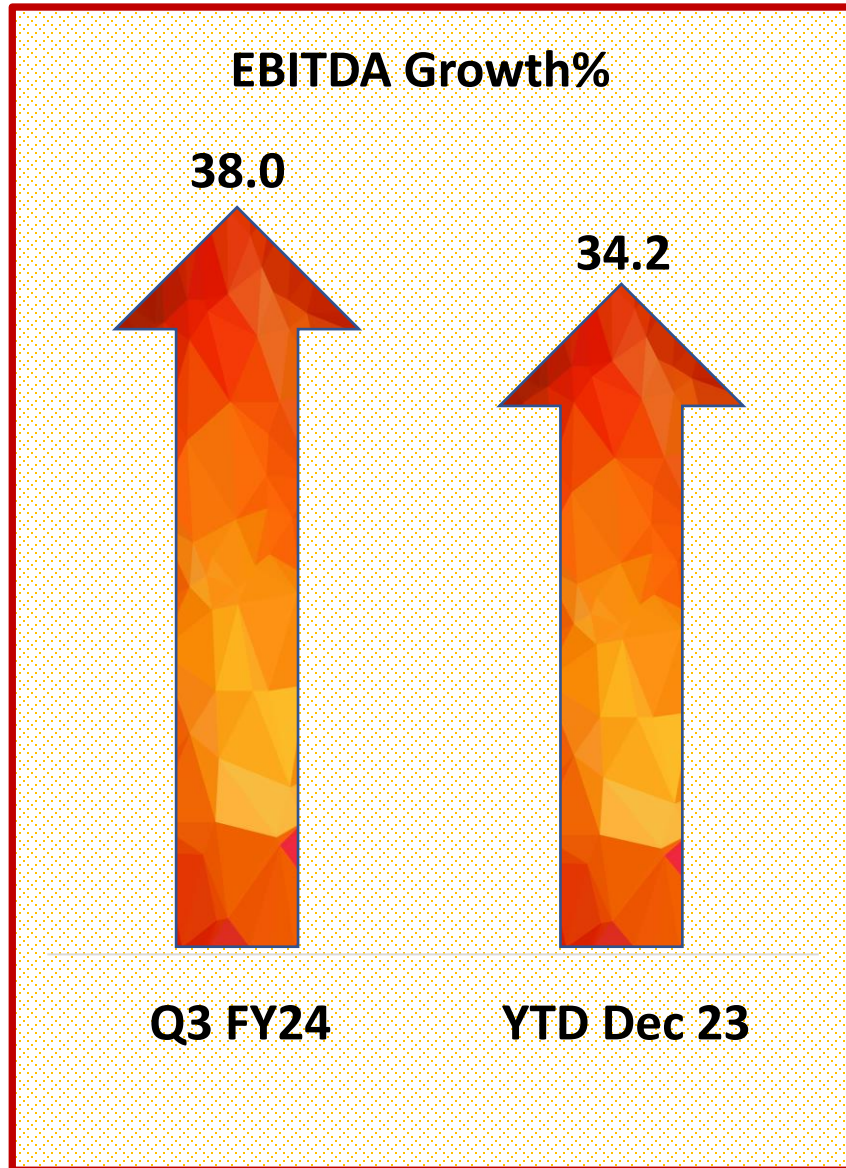
Rs Crores

	YTD Dec 23	% to Total Income	YTD Dec 22	% to Total Income	Growth %
<b>Total income from operations</b>	7,753.8		7,281.3		<b>6.5</b>
Material Cost	4,659.7	60.1	4,765.8	65.5	
Employee Cost	408.3	5.3	342.7	4.7	
Other expenses	1,339.4	17.3	1,169.5	16.1	
<b>PBDIT (Excluding Other Income)</b>	<b>1,346.5</b>	<b>17.4</b>	<b>1,003.3</b>	<b>13.8</b>	<b>34.2</b>
Depreciation	219.1	2.8	167.4	2.3	
<b>Profit from operation before interest</b>	<b>1,127.5</b>	<b>14.5</b>	<b>835.9</b>	<b>11.5</b>	
Other Income	44.0	0.6	64.4	0.9	
<b>PBIT</b>	<b>1,171.5</b>	<b>15.1</b>	<b>900.2</b>	<b>12.4</b>	<b>30.1</b>
Finance Cost	50.0	0.6	60.4	0.8	
<b>PBT</b>	<b>1,121.5</b>	<b>14.5</b>	<b>839.9</b>	<b>11.5</b>	<b>33.5</b>
Taxes	288.0	3.7	207.7	2.9	
<b>PAT</b>	<b>833.5</b>	<b>10.7</b>	<b>632.2</b>	<b>8.7</b>	<b>31.8</b>
Other comprehensive income, net of income tax	-0.0	-0.0	1.8	0.0	
<b>Total comprehensive income for the period</b>	<b>833.4</b>		<b>633.9</b>		





- Improved volume growth over corresponding period last year
- The gap between volume & value narrowed down against the previous quarter backed by mix improvement
- However, the volume - value gap in the quarter was on account of :
  - Some impact of price decrease in the later half of the quarter
  - Economy segment products showing greater traction

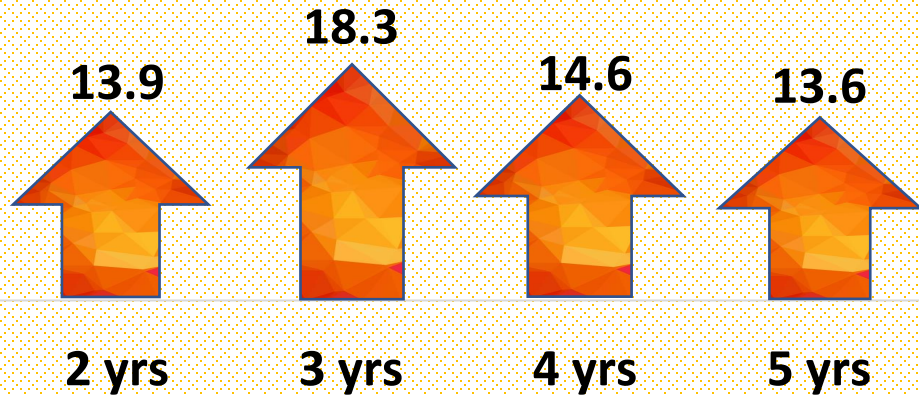


- Robust profitability growth driven by further improvement of Gross Margin at 40.3%
- Gross Margin improvement mainly aided by lower raw material prices and some formulation savings
- Operating margin expansion of 380 bps on a YoY basis and 20 bps on QoQ basis
- Operating Margin expansion however was lower on account of substantial increase in absolute value spend on advertisement led by ICC Cricket World Cup in the quarter
- Advertisement expense as a percentage of sale went up by about 1.5%
- Industrial business line also showed significant improvement in operating margins

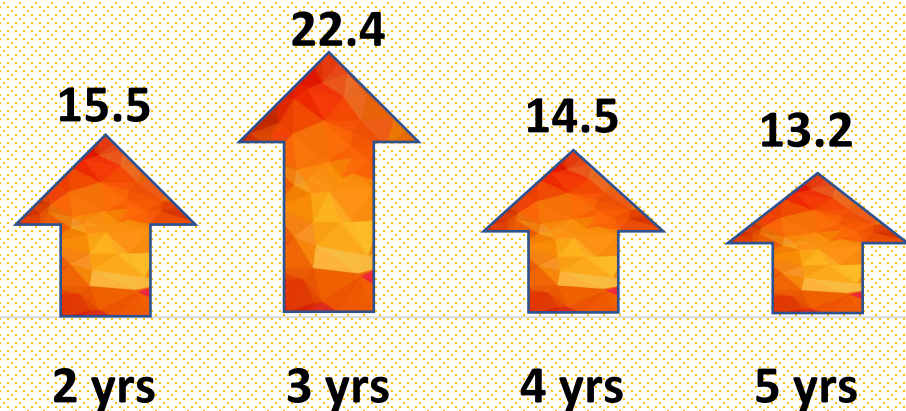


# Standalone - Consistent Growth Trajectory

YTD Dec 23 Volume Sales CAGR%



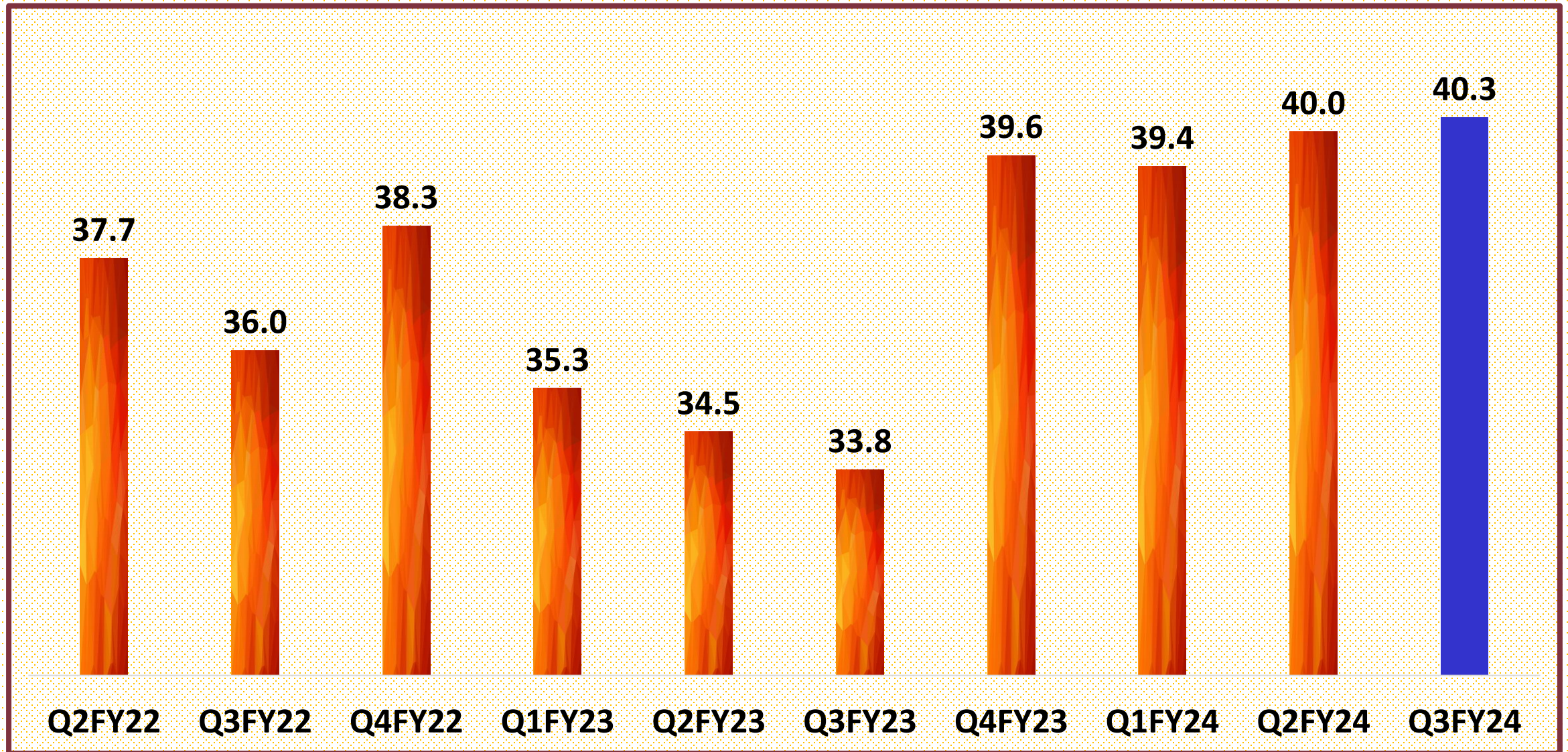
YTD Dec 23 Value Sales CAGR%



Consistent double digit growth registered over 2/3/4/5 years on a compounded basis at YTD level

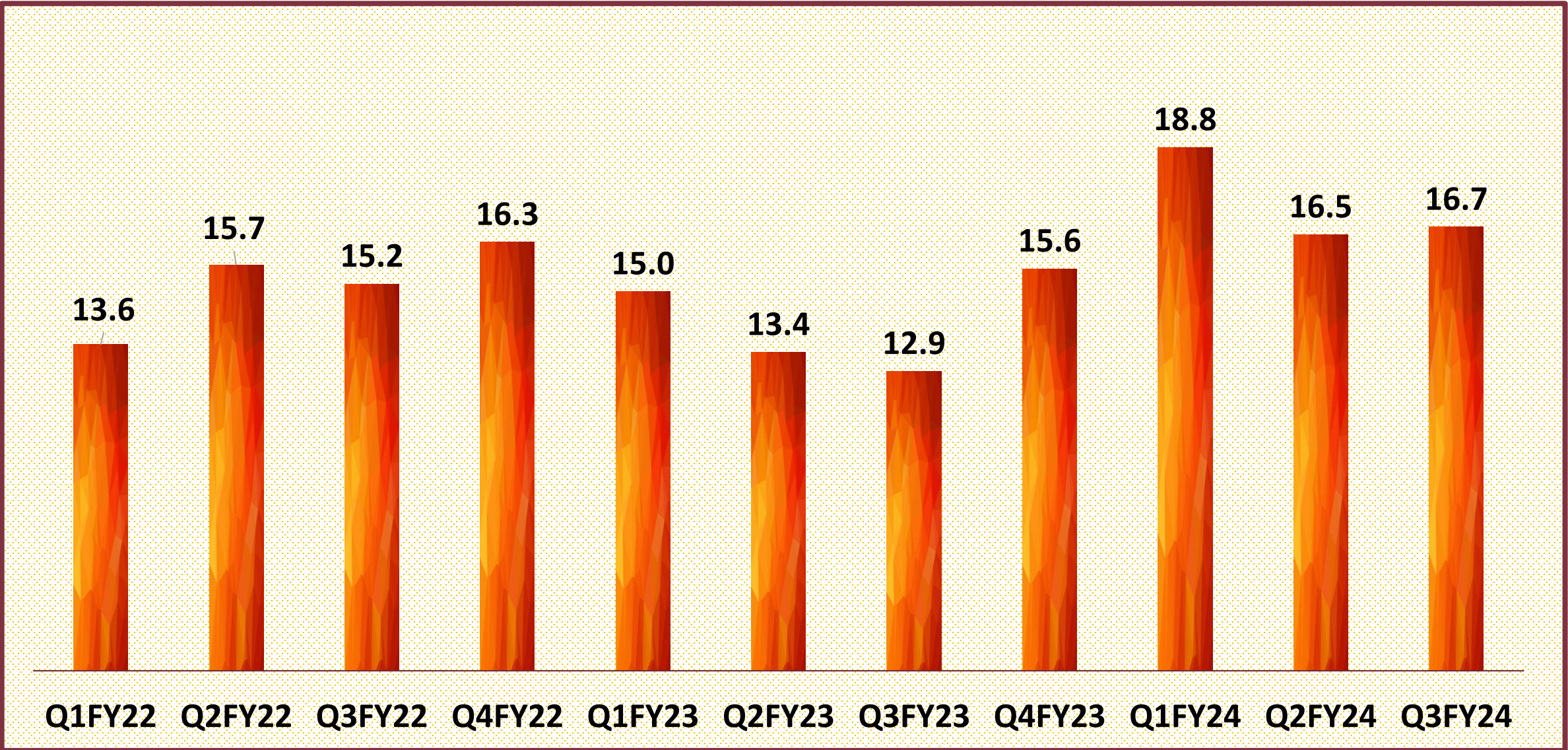
However, QoQ variations can happen

# Standalone Gross Margin (%) – Scaling new heights



**Highest Gross Margin in last 10 quarters**

# Standalone - Operating Margin Trajectory



**Marking another quarter of growth**





## Decorative Business Q3 FY24

- Decorative business showed double digit growth in spite of an impact of price decrease
- Construction chemical & waterproofing business had another quarter of stellar performance
- Wood coatings business also did extremely well
- T2 and T3 cities showed greater traction
- Both Urban and Rural business witnessed growth.
- Aggressive Network expansion continued in the quarter
  - Added 2300+ retail touchpoints in Q3FY24
  - Installed around 1300 Colorbank machines





# New Products



# Top Performing Innovative Products



**Berger**  
EASY CLEAN  
**Fresh**  
Luxury Interior Emulsion

CROSS LINKING POLYMER

**Berger**  
WEATHERCOAT  
**LONG LIFE 10**  
Luxury Exterior Emulsion with PU

WEATHER COAT LONG LIFE 10

**BERGER HOME SHIELD**  
Complete Waterproofing Solutions  
WATERPROOF PUTTY

**SORA AUR SEELAN SE MUKTI PAO  
SIRF DEEWAREIN NAHI, LIFE CHAMKAO**

**BERGER HOME SHIELD**  
WATERPROOF PUTTY  
Net Content: 20kg

- Water Repellency
- Anti-efflorescent
- Extra Coverage
- Smooth Finish

**Berger**  
WEATHERCOAT  
**ANTI DUST**

WEATHERCOAT  
**ANTI DUST**



# Digital Initiatives : A Complete Transformation



My  
Colour  
AI App

Lead  
generation



e Sambandh



DBT

Impact of such initiatives will be visible next year



Protective Coatings maintained its consistent growth in the quarter



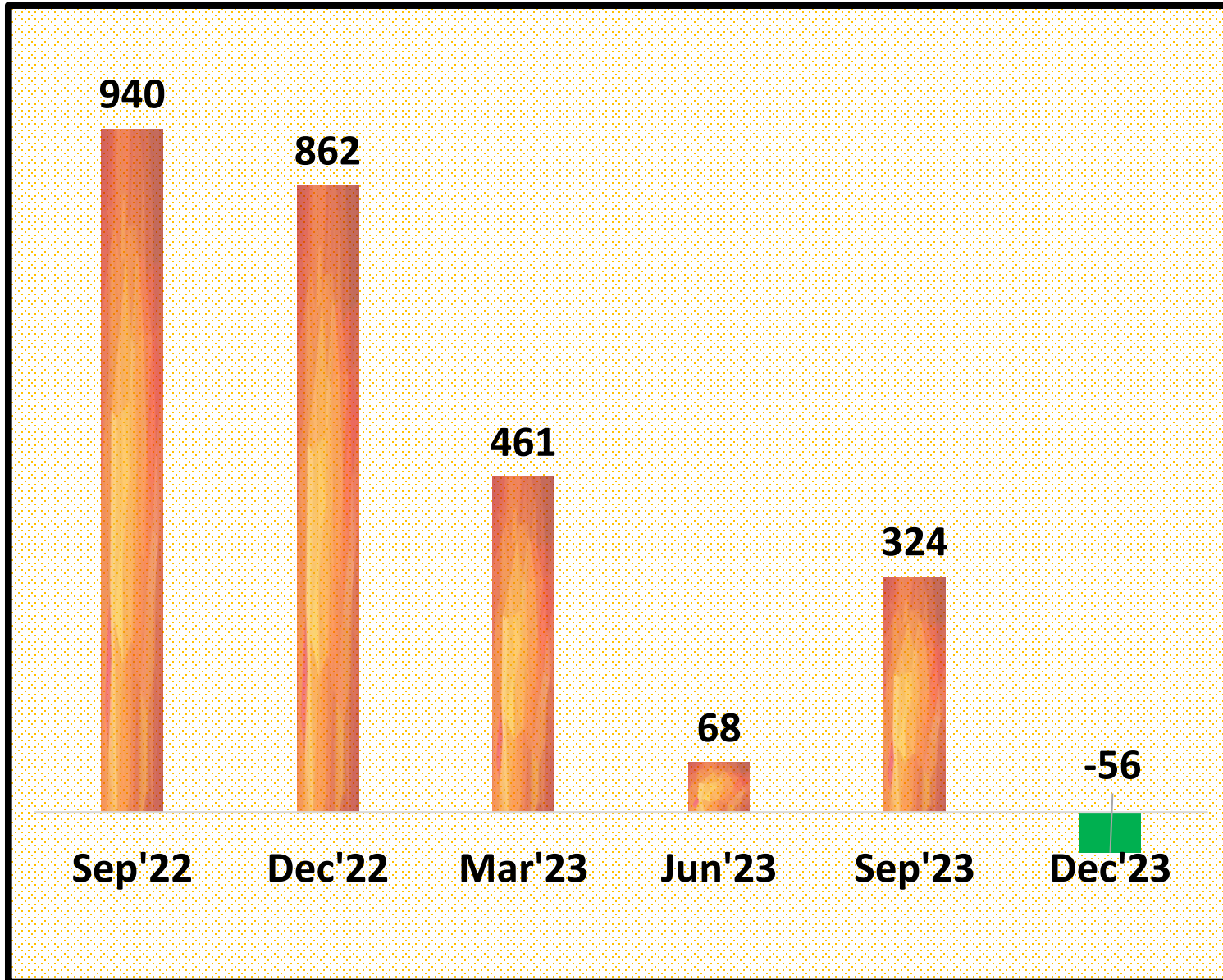
Automotive and General Industrial business had decent growth in quarter even on a high base in the corresponding quarter, aided by growth in commercial vehicles and two-wheeler industry



Powder Coatings business line had a modest growth in the quarter on the back of demand revival of fan industry and new customer acquisition



# Net debt – Standalone : Q3 FY24



**Achieved Net cash  
positive position  
ahead of guidance**

## Value Sales Growth%

6.4



Standalone

7.0



Consolidated

## EBITDA Growth%

38.0



Standalone

37.3



Consolidated

**Consolidated topline performance outperformed Standalone on the back of consistent topline growth and even stronger profitability growth for all subsidiaries in India and overseas except BJN Nepal**

# Financial Results- Consolidated Q3FY24



Rs Crores

	Q3FY24	% to Total Income	Q3FY23	% to Total Income	Growth %
<b>Total income from operations</b>	2,881.8		2,693.6		<b>7.0</b>
Material Cost	1,698.1	58.9	1,759.1	65.3	
Employee Cost	181.5	6.3	148.1	5.5	
Other expenses	522.2	18.1	436.7	16.2	
<b>PBDIT (Excluding Other Income)</b>	<b>480.0</b>	<b>16.7</b>	<b>349.7</b>	<b>13.0</b>	<b>37.3</b>
Depreciation	82.9	2.9	64.4	2.4	
<b>Profit from operation before interest</b>	<b>397.1</b>	<b>13.8</b>	<b>285.3</b>	<b>10.6</b>	
Other Income	18.9	0.7	10.9	0.4	
<b>PBIT</b>	<b>416.1</b>	<b>14.4</b>	<b>296.2</b>	<b>11.0</b>	<b>40.5</b>
Finance Cost	19.6	0.7	29.6	1.1	
<b>PBT before share of joint ventures</b>	<b>396.4</b>	<b>13.8</b>	<b>266.6</b>	<b>9.9</b>	<b>48.7</b>
Share of Profit / (loss) of associates and joint ventures	1.4	0.0	2.5	0.1	
<b>PBT</b>	<b>397.8</b>	<b>13.8</b>	<b>269.1</b>	<b>10.0</b>	<b>47.8</b>
Taxes	97.7	3.4	68.0	2.5	
<b>PAT</b>	<b>300.2</b>	<b>10.4</b>	<b>201.2</b>	<b>7.5</b>	<b>49.2</b>
Other comprehensive income, net of income tax	13.3		8.9		
<b>Total comprehensive income for the period</b>	<b>313.5</b>		<b>210.1</b>		

# Financial Results- Consolidated YTD Dec 23



Rs Crores

	YTD Dec 23	% to Total Income	YTD Dec 22	% to Total Income	Growth %
<b>Total income from operations</b>	8,678.6		8,124.2		<b>6.8</b>
Material Cost	5,150.6	59.3	5,260.3	64.7	
Employee Cost	538.6	6.2	454.5	5.6	
Other expenses	1,479.0	17.0	1,290.9	15.9	
<b>PBDIT (Excluding Other Income)</b>	<b>1,510.4</b>	<b>17.4</b>	<b>1,118.4</b>	<b>13.8</b>	<b>35.0</b>
Depreciation	244.0	2.8	189.6	2.3	
<b>Profit from operation before interest</b>	<b>1,266.5</b>	<b>14.6</b>	<b>928.8</b>	<b>11.4</b>	
Other Income	47.8	0.6	36.5	0.4	
<b>PBIT</b>	<b>1,314.3</b>	<b>15.1</b>	<b>965.3</b>	<b>11.9</b>	<b>36.1</b>
Finance Cost	60.4	0.7	69.9	0.9	
<b>PBT before share of joint ventures</b>	<b>1,253.8</b>	<b>14.4</b>	<b>895.4</b>	<b>11.0</b>	<b>40.0</b>
Share of Profit / (loss) of associates and joint ventures	9.0	0.1	9.0	0.1	
<b>PBT</b>	<b>1,262.8</b>	<b>14.6</b>	<b>904.4</b>	<b>11.1</b>	<b>39.6</b>
Taxes	315.6	3.6	230.0	2.8	
<b>PAT</b>	<b>947.2</b>	<b>10.9</b>	<b>674.4</b>	<b>8.3</b>	<b>40.5</b>
Other comprehensive income, net of income tax	23.4		8.6		
<b>Total comprehensive income for the period</b>	<b>970.6</b>		<b>683.0</b>		



- Company's overseas subsidiary, Bolix S.A, Poland had a quarter of strong double digit growth in topline and profitability helped by a sharp expansion in operating margin. The company also achieved a constant currency growth in the quarter.
- Company's overseas subsidiary, BJN Nepal had another quarter of degrowth in topline and profitability impacted by downturn in economy and liquidity issues as was guided earlier.
- Company's subsidiary, STP Ltd had another quarter of healthy topline growth and strong profitability growth on the back of operating margin expansion aided by improvement in gross margin on lower raw material prices as well as improvement in product mix towards Admixture & Water proofing products. We expect the growth performance to further continue in Q4 FY24.
- SBL Specialty Coatings Ltd had a decent topline growth aided by uptick in the Fan segment and some additional line of business and a strong double digit profitability growth on softening RM prices. We expect value growth to continue in Q4FY24.
- The joint venture Berger Becker Coatings experienced another quarter of decline in both its revenue and profitability, primarily attributable to manufacturing capacity constraints as mentioned earlier.
- Company's Joint venture Berger Nippon Paint Automotive Coatings Pvt. Ltd. had another quarter of double digit topline and robust profitability growth riding the strong performance in Passenger car and SUV sector. Expect strong growth to continue in Q4FY24

- Company expects demand momentum to continue in Q4FY24 in decorative segment on the back of improvement in rural demand
- Automotive business expected to continue with double digit growth in Q4FY24 on the back of sustained demand in auto sector
- Protective Coating business to do well on account of high government spending on infrastructure
- General Industrial and Powder Coatings business also expected to do well in Q4FY24
- Operating profit growth may taper down a little in Q4FY24 in comparison to Q3FY24 on the back of product price reduction. However, there will be growth on a YOY basis

# Disclaimer



*This presentation has been prepared by Berger Paints India Limited for information purposes only.*

*The forward looking statements, if any, involve risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the statements.*